



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Wednesday Evening, September 21, 2016

Major Developments

Update: Colonial Performs Successful Hydrostatic Test on Its 1.37 Million b/d Line 1, Expects Restart Wednesday Evening

Colonial Pipeline on Wednesday morning said it had performed a successful hydrostatic test to confirm the structural integrity and completed the connection/"tie-in" of the bypass segment to Line 1 after a leak of 6,000–8,000 barrels was discovered in Shelby County, Alabama on September 9. Construction and positioning of the 500-foot bypass segment of pipeline around the leak site was completed on Tuesday. With the structural integrity of the fully completed and connected bypass line tested and confirmed, Colonial Pipeline said it will remove inline plugging devices that were installed at points on both sides of the impacted pipeline segment during the initial incident response operations and perform other work necessary to safely return Line 1 to service. Based on operational progress made overnight and the anticipated schedule of work ahead, Colonial Pipeline projects that Line 1 will be restarted Wednesday evening. Subsequent to restart, it is expected to take several days for the fuel delivery supply chain to return to normal. Some markets served by Colonial Pipeline may experience, or continue to experience, intermittent service interruptions. Colonial said it was continuing to move as much gasoline, diesel, and jet fuel as possible and will continue to do so as markets return to normal. Colonial said following the resumption of service on Line 1, it will work in close consultation with federal, state, and local officials to excavate and remove the impacted segment of the pipeline so that a full and complete investigation can be conducted to determine the cause of the incident.

<https://helena.colonialresponse.com/>

Puerto Rico Hit by Massive Blackout after Fire Causes Transmission Lines Fault September 21

Puerto Rico on Wednesday afternoon was hit by a massive blackout after a fire at a substation in Central Aguirre on the southern coast of Puerto Rico. Puerto Rico Electric Power Authority (PREPA), which is the commonwealth's sole electric power company, said the fire had caused a fault affecting two main 230-kV transmission lines. It said all of its 1.5 million customers were affected. There was no immediate word on how long the outage may last.

<http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/Noticias/noticias.asp>

<http://bnonews.com/news/index.php/news/id5157>

Electricity

Update: FirstEnergy's 882 MW Davis-Besse Nuclear Unit in Ohio Restarts, Ramps Up to 18 Percent by September 21

The unit shut from full power due to a main generator lock-out on September 10.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20160912en.html>

U.S. Coast Guard Investigates Sheen on Bay near San Francisco, California September 20 – 21

The U.S. Coast Guard Sector San Francisco and local agencies on Wednesday night responded to reports of a smell of oil on the water near Rodeo and Vallejo in California. Coast Guard and California Fish and Wildlife pollution investigators responded and were sent to various locations in the area. The Coast Guard launched boat crews and a helicopter to conduct an overflight of the area but neither crew located any sheen. It was not known if the sheen reported on the water is related to the strong odor in the area that prompted local officials to issue a shelter in place order.

<http://www.uscgnews.com/go/doc/4007/2885466/>

Phillips 66 Shuts Marine Terminal at its 120,200 b/d Rodeo, California Refinery after Oil Sheen Discovered September 21

Phillips 66 on Wednesday shut a marine terminal at its Rodeo refinery in the San Francisco Bay Area after discovering a light oily sheen on nearby water, a spokesman for the company said. The company said a tanker is berthed outside of the marine terminal, but it was not yet clear if that was the cause of the sheen. The exact volume released is still being determined and the cause of the incident is under investigation, the spokesman said.

Reuters, 16: September 21, 2016

Motiva Completes Repairs at Its 603,000 b/d Port Arthur, Texas Refinery September 21 after Upset September 17

Motiva Enterprises on Wednesday said repairs were completed after an operational upset at its Port Arthur refinery on Saturday. The refinery reported a loss of primary containment and emissions from sulfur recovery unit 2, starting late Saturday, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 14:05 September 21, 2016

PBF Energy's 149,500 b/d Torrance, California Refinery to Remain Down for at Least Two Weeks after Power Outage September 19 – Source

PBF Energy's Torrance refinery will be down for at least two weeks following a power outage on Monday morning, a source familiar with the matter said on Tuesday. The refinery's fluid catalytic cracking unit (FCCU), hydrocracker, and alkylation unit are being run on a steam backup system, while its crude and coker units remain down, the source said.

Reuters, 6:20 September 21, 2016

U.S. Gulf Coast Gasoline Stockpiles Rise 4.8 Million Barrels September 16 – EIA

U.S. Gulf Coast gasoline inventories rose 4.8 million barrels last week, a record weekly build, to the highest level ever for this time of year at 83.7 million barrels, according to data released on Wednesday by the U.S. Energy Information Administration (EIA). U.S. East Coast gasoline stocks dropped 8.5 million barrels to 55.5 million barrels in the week to September 16, EIA data shows.

Reuters, 11:05 September 21, 2016

Natural Gas

Regency Reports Third Party Power Outage at Its 290 MMcf/d Waha Gas Plant in Texas September 20

Regency reported a third party power outage at its Waha gas plant. Once power was restored, operations returned to normal and the acid gas injector was restarted.

<http://www2.tceq.texas.gov/oce/eei/index.cfm?fuseaction=main.getDetails&target=244165>

DCP Midstream Reports Pipeline Failure at Its 160 MMcf/d Goldsmith Gas Plant in Texas September 20

DCP Midstream reported a pipeline failure in the plant from the gas inlet line causing an emergency shutdown. With the plant shut down, gas within the process and inlet gas had to be flared for safety reasons. The flow of gas was stopped through the ruptured line. The field was notified to route gas to other DCP gas processing plants, reducing the amount of gas being fed to the plant and the volume of gas being flared.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=244164>

Other News

Nothing to report.

International News

Libya Exports First Oil Cargo from Ras Lanuf since 2014 – Port Manager

An oil tanker left the Libyan port of Ras Lanuf for Italy early on Wednesday with the first crude export cargo from the terminal since at least late 2014, the port manager said. A second tanker was preparing to load at Ras Lanuf, one of four ports seized on September 11-12 by eastern Libyan forces loyal to military leader Khalifa Haftar. Haftar has so far opposed the U.N.-backed Government of National Accord (GNA), though the National Oil Corporation (NOC) welcomed a promise by his forces to allow the NOC to control the ports. The NOC Chairman said on Wednesday that national production had risen to about 390,000 b/d from less than 290,000 b/d before the change of control at the ports. The NOC said last week it would begin exports immediately from Ras Lanuf and Zueitina, and that it would start them as soon as possible from Es Sider. Exports have continued from Brega, the fourth port that was seized and that had remained open. Together, the ports have a capacity of nearly 800,000 b/d, though Ras Lanuf and Es Sider have been damaged in clashes and Brega has been operating at below its maximum capacity. Armed conflict and disputes have left Libya's oil installations under the control of different factions and cut output to about 200,000 b/d from the 1.6 million b/d it produced before an uprising toppled Muammar Gaddafi in 2011.

http://www.downstreamtoday.com/news/article.aspx?a_id=53605

Reuters, 14:04 September 21, 2016

Energy Prices

U.S. Oil and Gas Prices September 21, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	45.34	43.57	46.62
NATURAL GAS Henry Hub \$/Million Btu	3.06	3.06	2.63

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

Please direct comments and questions to: ead@oe.netl.doe.gov